

FISCAL NOTE

Bill #: HB0406

Title: Country of origin placarding

Primary Sponsor: Bergren, B

Status: As Amended on the House Floor

Sponsor signature	Date	David Ewer, Budget Director	Date
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Fiscal Summary

	<u>FY 2006</u> <u>Difference</u>	<u>FY 2007</u> <u>Difference</u>
Expenditures:		
General Fund	\$0	\$0
State Special Revenue	\$26,784	\$26,784
Revenue:		
General Fund	\$0	\$0
State Special Revenue	\$0	\$0
Net Impact on General Fund Balance:	\$0	\$0

- | | |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

1. The department estimates there is a minimum of 400 retail locations in Montana offering the sale of products covered by HB 406.
2. The department currently has eight inspectors on staff who are stationed throughout Montana. The department assumes the eight inspectors would be able to absorb the majority of country of origin inspections within their current small scale and net contents of pre-packaged goods inspections. However, the additional workload imposed by HB 406 would require the hiring of a half-time inspector in order for the department to perform all of its statutorily mandated annual inspections, including country of origin labeling. Rather than employ the half-time inspector on a 20 hours per week basis, the department would employ the inspector full time for 6 months each year.
3. The department estimates the cost of an additional 0.50 FTE Band 5 investigator would be \$17,177 (\$34,353 X 0.50) in personal services and benefits each year of the biennium. Operating costs, such as telephone, travel, and indirect costs, are estimated at \$9,607 each year of the biennium.

Fiscal Note Request HB0406, As Amended on the House Floor
(continued)

FISCAL IMPACT:

	FY 2006 <u>Difference</u>	FY 2007 <u>Difference</u>
FTE	0.50	0.50
<u>Expenditures:</u>		
Personal Services	17,177	17,177
Operating Expenses	<u>9,607</u>	<u>9,607</u>
TOTAL	\$26,784	\$26,784
<u>Funding of Expenditures:</u>		
State Special Revenue (02)	\$26,784	\$26,784
<u>Revenues:</u>		
State Special Revenue (02)	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
State Special Revenue (02)	(\$26,784)	(\$26,784)

TECHNICAL NOTES:

1. The title to HB 406 references placarding of specified commodities, but the text of the bill does not limit the application of HB 406 to commodities. The term "consumer commodity" is defined in 50-30-103, MCA, but that definition is not incorporated into HB 406.
2. Section 7 directs the codification of HB 406 in Title 30, chapter 12, MCA, and provides that the provisions of Title 30, chapter 12 apply to HB 406. The majority of provisions in Title 30, chapter 12 are expressly limited to their applicability in parts 1 through 5 of Title 30, chapter 12. In order for provisions of parts 1 through 5 of chapter 12, Title 30, MCA, to apply, either more specific codification instructions are needed, or portions of Title 30, chapter 12 need to be amended in order to implement Section 7.